WRAP Reports 43% Nine-Month Revenue Growth; Highlights Ongoing Congressional, ATF and State Actions Supporting Non-Lethal Response

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WrapShield Advances Toward Commercialization with Frenel Engineering Milestone; Operationalizing De-Escalation Gains Traction with First State Certification

MIAMI, Nov. 16, 2026 (GLOBE NEWSWIRE) -- Wrap Technologies, Inc. (Nasdaq: WRAP) ("Wrap" or the "Company"), a global leader in innovative public safety technologies, today announced financial and operating results for the third quarter ended September 30, 2026. Third quarter total revenue was $1.5 million, consistent with the prior-year period. For the first nine months of 2026, total revenue increased 43% year over year, led by growth in product sales, and the Company strengthened its balance sheet while advancing its WrapShield platform strategy. During the third quarter, the U.S. Bureau of Alcohol, Tobacco, Firearms and Explosives ("ATF") classified the BolaWrap 150 as an instrument of restraint, the Company made a strategic investment in Frenel Imaging Ltd. to anchor the detection layer of WrapShield, and the Company completed a registered direct offering for gross proceeds of approximately $12.0 million.

Third Quarter 2026 Financial Highlights (vs. Q3 2025):

- Total revenue was $1.5 million, consistent with the prior-year period, with product sales increasing 20% to $1.3 million, partially offset by lower technology-enabled services revenue.
- Gross profit was $0.8 million, compared to $0.9 million in the prior-year period, and gross margin was approximately 55%, compared to approximately 59% in the prior-year period.
- Cash and cash equivalents increased 249% to $12.1 million at September 30, 2026, compared to $3.5 million at December 31, 2025.
- Total liabilities were $2.3 million at September 30, 2026, compared to $3.9 million at December 31, 2025, primarily reflecting the reduction in operating lease liabilities following the termination of the Company's former office lease.
- Total operating expenses were $4.8 million, compared to $3.6 million in the prior-year period, with the increase primarily reflecting higher non-cash share-based compensation.
- Loss from operations was $(3.9) million, compared to $(2.8) million in the prior-year period, primarily reflecting the higher non-cash share-based compensation.
- Net loss was $(3.9) million, compared to $(2.8) million in the prior-year period, reflecting higher non-cash share-based compensation.

First Nine Months 2026 Financial Highlights (vs. First Nine Months 2025):

- Total revenue increased 43% to $4.7 million, compared to $3.3 million in the prior-year period.
- Product sales increased 174% to $3.9 million in the nine months ended September 30, 2026, compared to $1.4 million in the prior-year period.
- Gross profit increased 56% to $3.1 million, compared to $2.0 million in the prior-year period, and gross margin expanded to approximately 66%, compared to approximately 60% in the prior-year period.
- Net cash used in operating activities improved 30% to $(5.3) million, compared to $(7.6) million in the prior-year period. The improvement was driven by a smaller net use of cash from changes in working capital and by a greater portion of operating costs taking the form of non-cash charges, principally share-based compensation.

Third Quarter and Recent Developments:

- **Senate Appropriations Committee Report Language on Non-Lethal Response**
  The Senate Appropriations Committee's explanatory statement accompanying the fiscal year 2027 Homeland Security appropriations bill included report language on non-lethal responses. The language encourages the Department of Homeland Security, including U.S. Immigration and Customs Enforcement and U.S. Customs and Border Protection, to expand the availability of non-lethal devices and technologies and related de-escalation and use-of-force training, and calls for the Department to report to the Committee within 180 days of enactment on its use-of-force policies, its inventory of non-lethal devices and associated training, and its planned investments in non-lethal technologies. The bill has not been enacted, the report language is not binding and does not appropriate funds for any particular product, and there can be no

assurance that it will result in purchases of the Company's products.

- **Strengthened Balance Sheet; Raised $12.0 million in August 2026 Registered Direct Offering**
  In August 2026, the Company completed a registered direct offering of common stock and pre-funded warrants for gross proceeds of approximately $12.0 million and net proceeds of approximately $10.9 million, after deducting placement agent fees and other offering expenses.

- **States Begin to Certify WRAP's Operational De-Escalation Curriculum**
  In November 2026, the Illinois Law Enforcement Training and Standards Board certified the Company's BolaWrap 150 Level 1 Law Enforcement User Course for in-service training, recognizing 5.5 hours of state-mandated officer training. The course is built on WRAP's Non-Lethal System Doctrine, and Illinois is the first state to certify the curriculum.

- **Strategic Investment in Frenel and Launch of the WrapShield Platform**
  In July 2026, the Company introduced WrapShield, a platform strategy intended to integrate threat detection, AI-assisted decision support, command-and-control, and proportionate response, with an initial application in counter-UAS. In connection with the strategy, the Company made a $2.0 million strategic investment in Frenel Imaging Ltd. and obtained an exclusive license to commercialize Frenel's thermal-polarimetric imaging technology in the United States and NATO markets, which management intends to use as the detection layer of the platform. The investment and license are in an early stage, and the timing and amount of any resulting revenue are uncertain.

- **Frenel Completes Engineering and Certification Milestone**
  In October 2026, a dual-channel electro-optical gimbal integrating Frenel's polarimetric thermal channel and edge processing was certified to MIL-STD-810 and IP67 standards. Management believes the milestone advances WrapShield toward commercialization.

- **Additions to the Board and Executive Leadership**
  On October 20, 2026, the Company appointed Edward Delatorre Jr. to its Board of Directors. Mr. Delatorre served for 46 years with the New York City Police Department, where his roles included Deputy Commissioner of Labor Relations, Chief of Transit, and Commanding Officer of the NYPD Police Academy. In addition, the Company appointed Eric Bowen as Chief Operating Officer, effective November 16, 2026. Mr. Bowen previously held senior operating roles, including Chief Operating Officer, at Babel Street, and most recently served as Chief Revenue Officer of Ursa Space Systems. In connection with Mr. Bowen's appointment, Jared Novick, who has served as President and Chief Operating Officer, will continue as President, and Mr. Bowen will report to Mr. Novick. Effective November 16, 2026, Mr. Novick also succeeded Scot Cohen as the Company's principal financial officer and principal accounting officer. Mr. Cohen continues to serve as Executive Chairman and Chief Executive Officer.

- **ATF Classifies BolaWrap 150 as an Instrument of Restraint**
  In July 2026, ATF Ruling 2026-2 became effective, classifying the BolaWrap 150 as an instrument of restraint and determining that it is neither a firearm under the Gun Control Act nor an "any other weapon" under the National Firearms Act. The ruling supersedes prior ATF classifications of the BolaWrap 150 and addresses that product only. Management believes the ruling may reduce federal regulatory ambiguity that has historically complicated BolaWrap procurement in certain corrections, civilian-safety, and international channels, and may support broader adoption.

- **Wraptor MX Prototype and Early Adopter Program**
  In July 2026, the Company completed the first operational prototype of Wraptor MX, a multi-shot non-lethal restraint platform, and opened an early adopter program to select a limited number of law enforcement agencies for pre-commercial access. Wraptor MX is a prototype and is not commercially available, and participation in the early adopter program may not result in orders or revenue.

About WRAP Technologies, Inc.
WRAP Technologies, Inc. (NASDAQ: WRAP) is a public safety technology company developing Non-Lethal Response solutions and emerging security technologies. Through its integrated products, training, services and strategic technology initiatives, WRAP is committed to Operationalizing De-Escalation and expanding capabilities for public safety and national-security professionals.

Trademark Information
WRAP, the Wrap logo, BolaWrap®, Non-Lethal Response™, WrapReality™, WrapShield™, WrapTactics™, Wraptor MX™ Wrap Training Academy are trademarks of WRAP Technologies, Inc., some of which are registered in the U.S. and abroad. All other trade names used herein are either trademarks or registered trademarks of their respective holders.

Cautionary Note on Forward-Looking Statements - Safe Harbor Statement
This release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. Words such as "expect," "anticipate," "should," "believe," "target," "project," "goals," "estimate," "potential," "predict," "may," "will," "could," "intend," and variations of these terms or the negative of these terms and similar expressions are intended to identify these forward-looking statements. Forward-looking statements in this release include, but are not limited to, statements relating to the expected benefits of, and adoption resulting from, the ATF classification of the BolaWrap

150; the strategic investment in and exclusive license from Frenel and the expected role of Frenel's technology within the WrapShield platform; the development, integration, commercialization, and market adoption of WrapShield and the Company's counter-UAS initiatives; the development and potential commercialization of Wraptor MX and other non-lethal response products; the expected expansion of agency-wide BolaWrap deployments; the expected growth of recurring, subscription-based revenue; and the Company's expectations regarding gross margin, operating losses, and capital resources. Forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control, and the Company's actual results could differ materially from those stated or implied. These factors include, but are not limited to: the lengthy evaluation and sales cycles and budget and procurement constraints of government and law-enforcement customers; the timing and scale of international orders; the early stage and uncertain outcome of the Frenel investment, license, and the WrapShield platform; the Company's dependence on technology licensed from third parties; risks related to export controls and other regulations applicable to defense, counter-UAS, and international activities; the Company's ability to manufacture and produce products; market acceptance of existing and future products; the availability of funding to finance operations; product defects and product-related litigation risks; the impact of competitive products; the Company's ability to maintain compliance with the Nasdaq Capital Market's listing standards; and other risk factors described in the Company's most recent Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q, and other filings with the Securities and Exchange Commission. These forward-looking statements are made as of the date of this release and were based on current expectations, estimates, forecasts, and projections, as well as the beliefs and assumptions of management. Except as required by law, the Company undertakes no duty or obligation to update any forward-looking statements contained in this release as a result of new information, future events, or changes in its expectations.

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